

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA**

In re:

**RONALD ALAN GRACE and
JOSETTE RENEE GRACE,**

**Case No. 05-24883
Chapter 11 Reorganization**

Debtors-in-Possession.

**ORDER AMENDING AND CONFIRMING JOINT DISCLOSURE STATEMENT
AND PLAN OF REORGANIZATION OF
RONALD ALAN GRACE AND JOSETTE RENEE GRACE**

At Charleston, in said District, on the 9th day of July, 2008, came the Debtors, Ronald Alan Grace and Josette Renee Grace, by Counsel, Christopher S. Smith and Elizabeth G. Kavitz of Hoyer, Hoyer & Smith, PLLC to Amend and Confirm the Debtors' Joint Disclosure Statement and Plan of Reorganization as follows:

The Joint Disclosure Statement and Plan of Reorganization of the Debtors, under Chapter 11 of the Bankruptcy Code filed by the Debtors, having been transmitted to Creditors; and

It having been determined that the Debtor and certain creditors have proposed certain Amendments to the Plan, which Creditors submitted conditional ballots approving the plan; and

The following amendments being incorporated into the Plan:

a. GMAC has agreed to split the difference between \$27,000.00, the amount at which GMAC valued the Debtors' Property located at 15083 MacCorkle Avenue, and \$22,000.00, the amount at which the Debtors valued this Property in the Plan, thereby increasing GMAC's secured claim by \$2,500.00, so that GMAC has a Secured Class 2 claim of \$24,500.00 and so that \$2,500.00 shall be subtracted from GMAC's Unsecured Claim so that GMAC has a General Unsecured Class 5 Claim in the total amount of \$2,427.84. GMAC further agrees that its total secured claim of \$24,500.00 shall be paid and amortized over ten (10) years at 7% interest, resulting in payments of

\$284.47 per month, and that GMAC's total Unsecured Claim is \$2,427.84, and fifteen percent (15%) of which, or \$346.18, shall be paid over six (6) years with the rest of the claims in Class 5.

b. The sum of \$11,009.04 is owing to the West Virginia State Tax Department for post-petition income taxes incurred in the year 2005. The Debtors have agreed that this amount shall be paid and amortized over 6 years at 6% interest, resulting in payments of \$182.45 per month, in addition to the monthly payments already being made to the West Virginia State Tax Department outlined in the Plan as distributed to Creditors. The West Virginia State Tax Department has agreed to stipulate the amount due and payment arrangements outside the Plan.

c. The West Virginia State Tax Department also requires the insertion of the following language into their portion of the Plan, page 13 as filed and page 14 as revised, after the description of how pre-petition claims shall be paid:

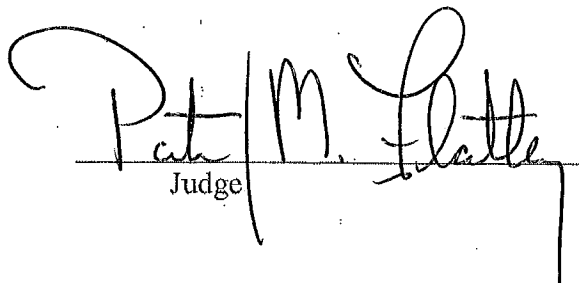
If the Debtors fail to make any payment to the State Tax Department provided for in the Plan, fail to pay any currently accruing employment tax liability, fail to make any payment of any tax to the State of West Virginia within ten (10) days of the due date of such deposit or payment, then the State of West Virginia may declare the Debtors in default under the Plan. Failure to declare default does not constitute waiver by the State of West Virginia of the right to declare the Debtors as being in default. If the State of West Virginia declares the Debtors to be in default of their obligation under the Plan, then the entire imposed liability, together with any unpaid current liabilities, shall become due and payable immediately upon written demand to the Debtors; and

The Ballots having been tallied and a Notice and Summary thereof filed with this Court; and

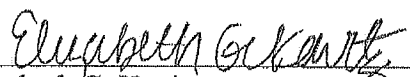
It having been determined after hearing on notice that the requirements for confirmation set forth in Bankruptcy Code § 1129(a) have been satisfied; and

It is hereby **ORDERED** that the Joint Disclosure Statement and Plan of Reorganization of the Debtors is hereby **AMENDED** by insertion of the provisions of paragraphs a, b, and c above into the Plan, and the Debtors' Plan of Reorganization is hereby **CONFIRMED** pursuant to Bankruptcy Code § 1129.

Date: JUL 17 2008


Judge

Submitted by:


Elizabeth G. Kavitz - WV State Bar #10348
Christopher S. Smith - WV State Bar #3457
Hoyer, Hoyer & Smith, PLLC
22 Capitol Street
Charleston, West Virginia 25301
(304) 344-9821; (304) 344-9519 Fax